

Paris, September 23, 2021

Neoen set to complete its first farm-down transaction in France

- Neoen is to sell its entire interest in the Grabels (Hérault) and Lagarde (Vaucluse) solar power plants, which have 11 MWp in total capacity in operation
- The enterprise value for the transaction stands close to €31 million
- The deal will generate a net capital gain of around €10 million

Neoen (ISIN: FR0011675362, Ticker: NEOEN), one of the world's leading and fastest-growing independent producers of exclusively renewable energy, has entered into an agreement to sell its entire interest in the Grabels and Lagarde solar power plants in France, together representing 11 MWp in capacity. Both power plants will be sold to Amarenco, a leading independent producer in Europe of exclusively solar photovoltaic power, for an enterprise value of close to €31 million, or €2.8 million per MWp. The net capital gain will be around €10 million and will be recognized in 2021 EBITDA¹.

Located in the Hérault and Vaucluse departments, the Grabels and Lagarde power plants, which were awarded under the CRE 1 government call for tenders, entered service in August 2015 and August 2018 respectively. They hold power purchase agreements running to 2035 and to 2036. Both the power plants comprise two-thirds crystalline photovoltaic panels and one-third concentrator photovoltaic modules.

The transaction remains subject to the customary conditions precedent and is expected to close in the fourth quarter of 2021.

It is aligned with Neoen's farm-down policy introduced this year to regularly, but selectively sell all of, or a majority stake in projects, or assets from its secured portfolio. By strengthening the Group's financial capacity, these farm-down transactions will help to finance the construction of new assets. Neoen intends to carry out further farm-down transactions by the end of 2021 through the competitive processes currently in progress.

As previously announced, the contribution made by net gains on these farm-down transactions will not exceed 20% of 2021 EBITDA. Neoen is reiterating its 2021 EBITDA target of between €295 million and €310 million. It is also restating that the volume of projects sold as part of its farm-down policy under the plan out to 2025 will not exceed 20% of the gross annual growth of its secured portfolio.

¹ As indicated at the Capital Markets Day in March 2021, the sale by the Group of all of, or a majority stake in, projects or assets in its secured portfolio will be carried out within the following two limits in 2021:

- the volume of projects sold will not exceed 20% of the gross annual growth of its secured portfolio,
- the contribution to consolidated full-year EBITDA will be less than 20%.

Contact

Neoen

communication@neoen.com

Press

OPRG Financial

Isabelle Laurent
+33 (0)1 53 32 61 51
Isabelle.laurent@oprffinancial.fr

Fabrice Baron
+33 (0)1 53 32 61 27
Fabrice.baron@oprffinancial.fr

Xavier Barbaro, Neoen's Chairman and CEO, commented: "A few months after we announced our intention at our Capital Markets Day of making selective asset disposals in and outside France, we are pleased to see our first farm-down transaction going ahead. The sale has attracted interest from a number of financial investors and industry participants, demonstrating the strong appeal of the renewable assets developed and built by Neoen. The proceeds from these asset disposals will help to fund the construction of new assets under our 2025 plan to achieve 10 GW in capacity in operation or under construction by that date."

About Neoen

Neoen is one of the world's leading and fastest-growing independent producers of exclusively renewable energy. Neoen has close to 4.8 GW of solar, wind and storage capacity in operation or under construction in Australia, France, Finland, Mexico, El Salvador, Argentina, Ireland, Jamaica, Mozambique, Portugal, and Zambia. The company is also present in Croatia, Ecuador, the USA and Sweden. Neoen developed and operates France's most powerful solar farm in Cestas (300 MWp), and the world's largest power reserve in Hornsdale, Australia (150 MW/193.5 MWh storage capacity). Neoen, a rapidly-growing company, is targeting more than 10 GW capacity in operation or under construction by the end of 2025. Neoen (ISIN: FR0011675362, ticker: NEOEN) is listed in Compartment A of the regulated market of Euronext Paris.

For more information: www.neoen.com

Contact

Neoen

communication@neoen.com

Press

OPRG Financial

Isabelle Laurent
+33 (0)1 53 32 61 51
Isabelle.laurent@oprghfinancial.fr

Fabrice Baron
+33 (0)1 53 32 61 27
Fabrice.baron@oprghfinancial.fr